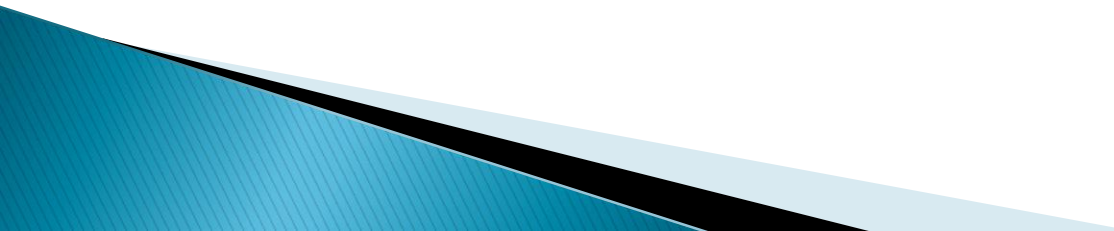


# Maricopa County Overview of FY 2013 Budget and Property Taxes

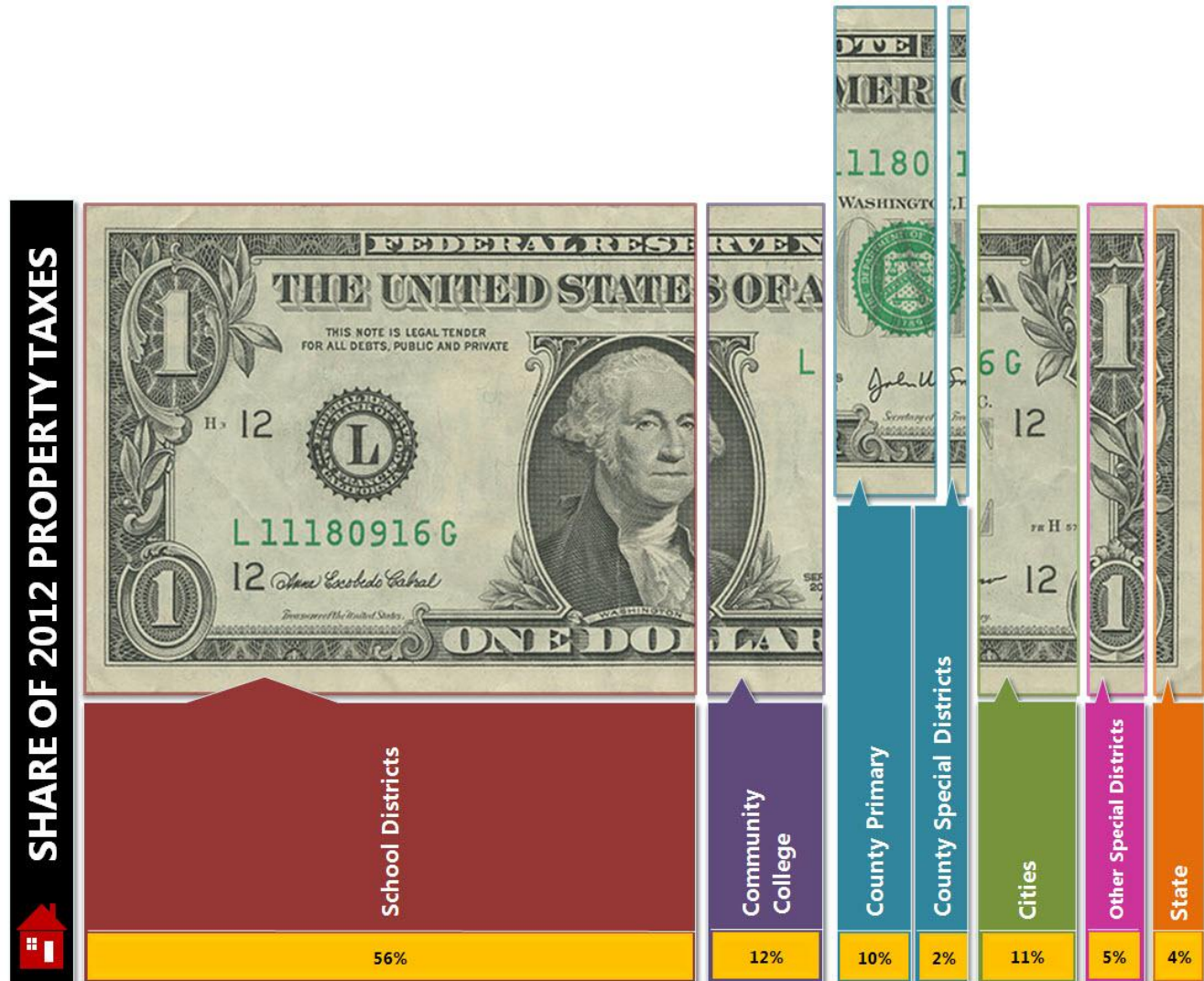
*Prepared by the Office of Management and Budget*



# What's Inside

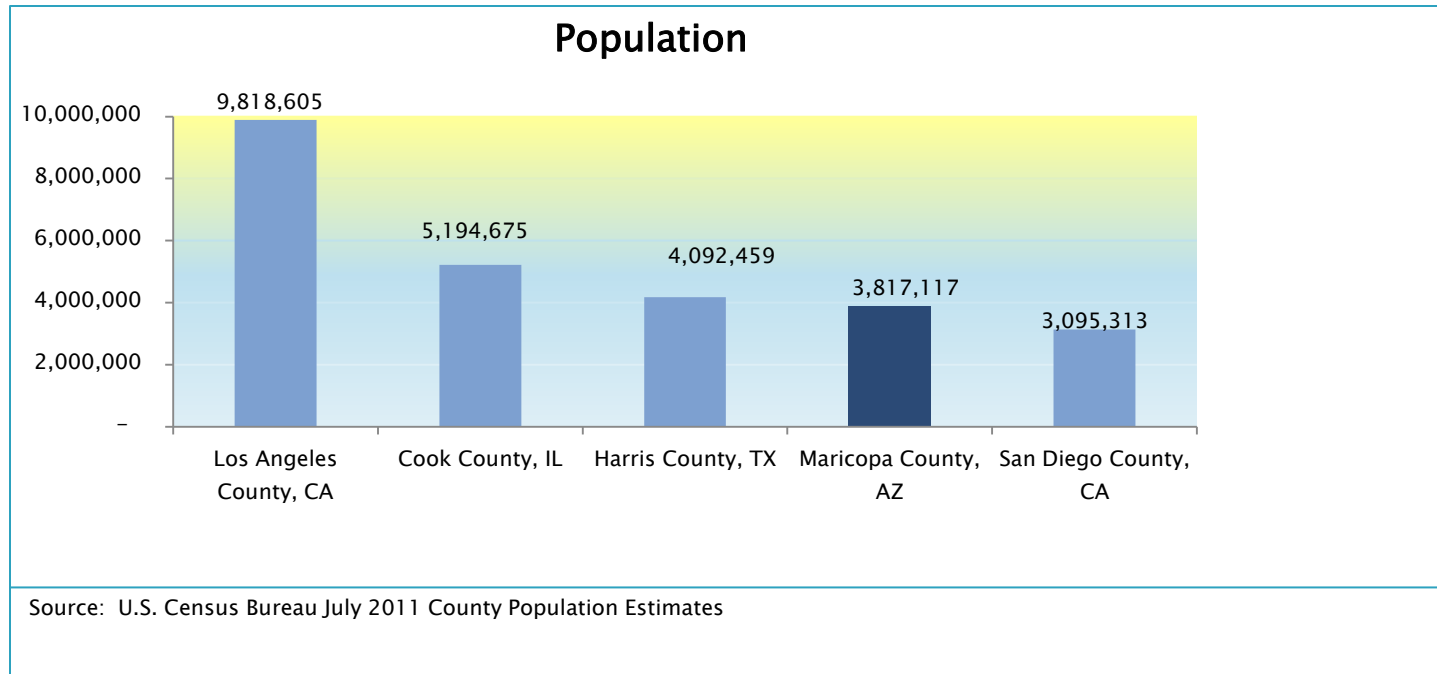
- ▶ Make up of Your County Tax Bill
  - ▶ About Maricopa County
    - Mission
    - Vision
    - Priorities
  - ▶ Sources of Revenue
    - List of Sources
    - Information about Property Taxes
  - ▶ Uses of Revenue
- 

# County-Controlled Property Taxes make up 12% of Total Property Taxes



# About Maricopa County

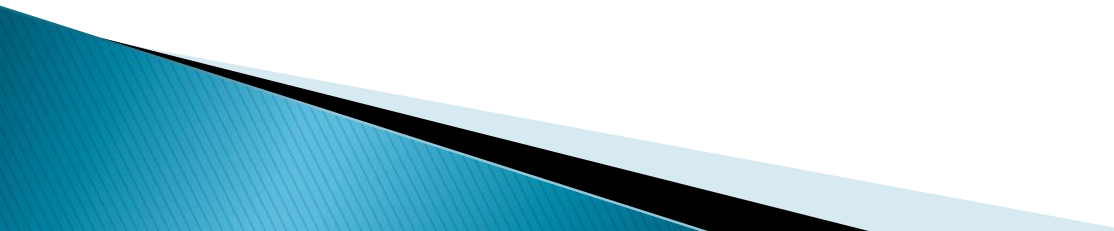
- ▶ Maricopa County is the nation's 4<sup>th</sup> largest county in terms of population



- ▶ The governing body is the Board of Supervisors.

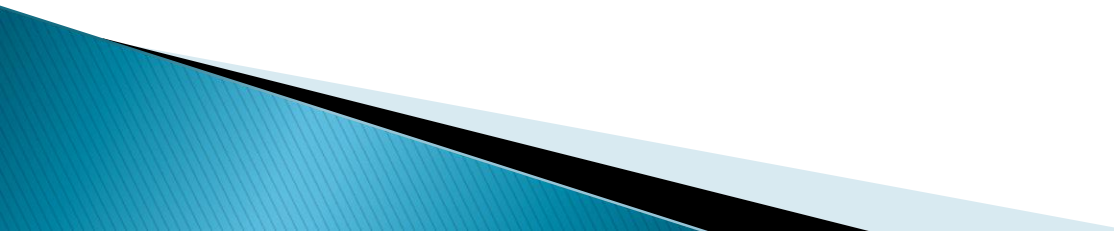
# Mission

The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services so that residents can enjoy living in a healthy and safe community.

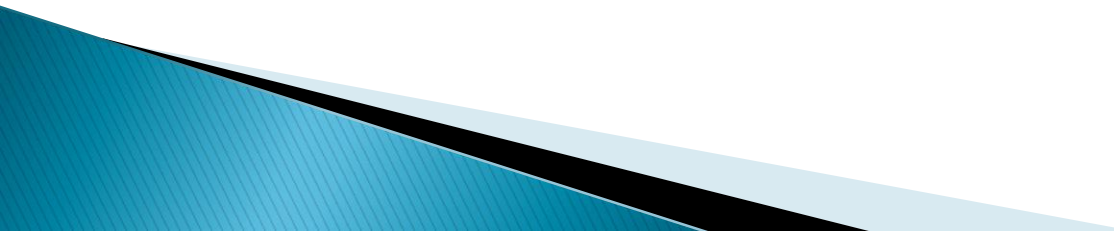


# Vision

Citizens serving citizens by working collaboratively, innovatively, efficiently and effectively. We will be responsive to our customers while being fiscally prudent.




# Strategic Priorities

- Ensure safe communities
  - Provide all citizens with access to an effective, integrated justice system
  - Promote and protect the public health of the community
  - Promote opportunities for and educate residents so they can improve their own circumstances and quality of life
  - Exercise sound financial management and build the County's fiscal strength
- 

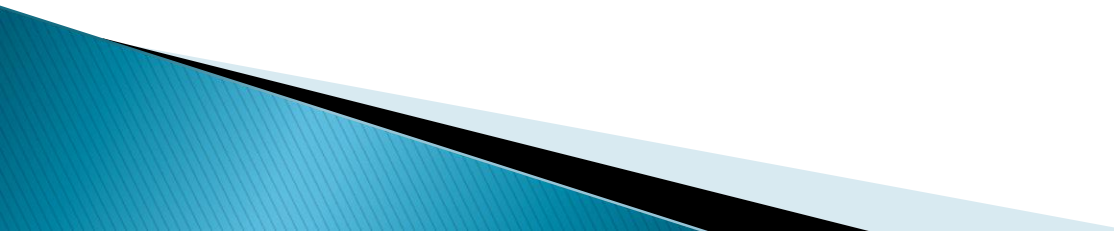


# Strategic Priorities

- Reduce the environmental impact of County government and provide leadership to promote regional environmental sustainability, including the preservation of open, natural park and recreation lands
  - Contribute to an effective regional economy
  - Contribute to a safe and effective transportation system
- 



# Strategic Priorities


- Increase citizen satisfaction and trust in County government with efficient, effective, and accountable public services
  - Maintain a quality, diverse and innovative workforce and equip County employees with tools, skills and technology they need to do their jobs safely and well
- 

# Maricopa County Operates with a Structurally Balanced Budget




*Definition:  
Reoccurring  
revenues meet or  
exceed reoccurring  
expenditures*

# FY 2013 Sources of Revenue

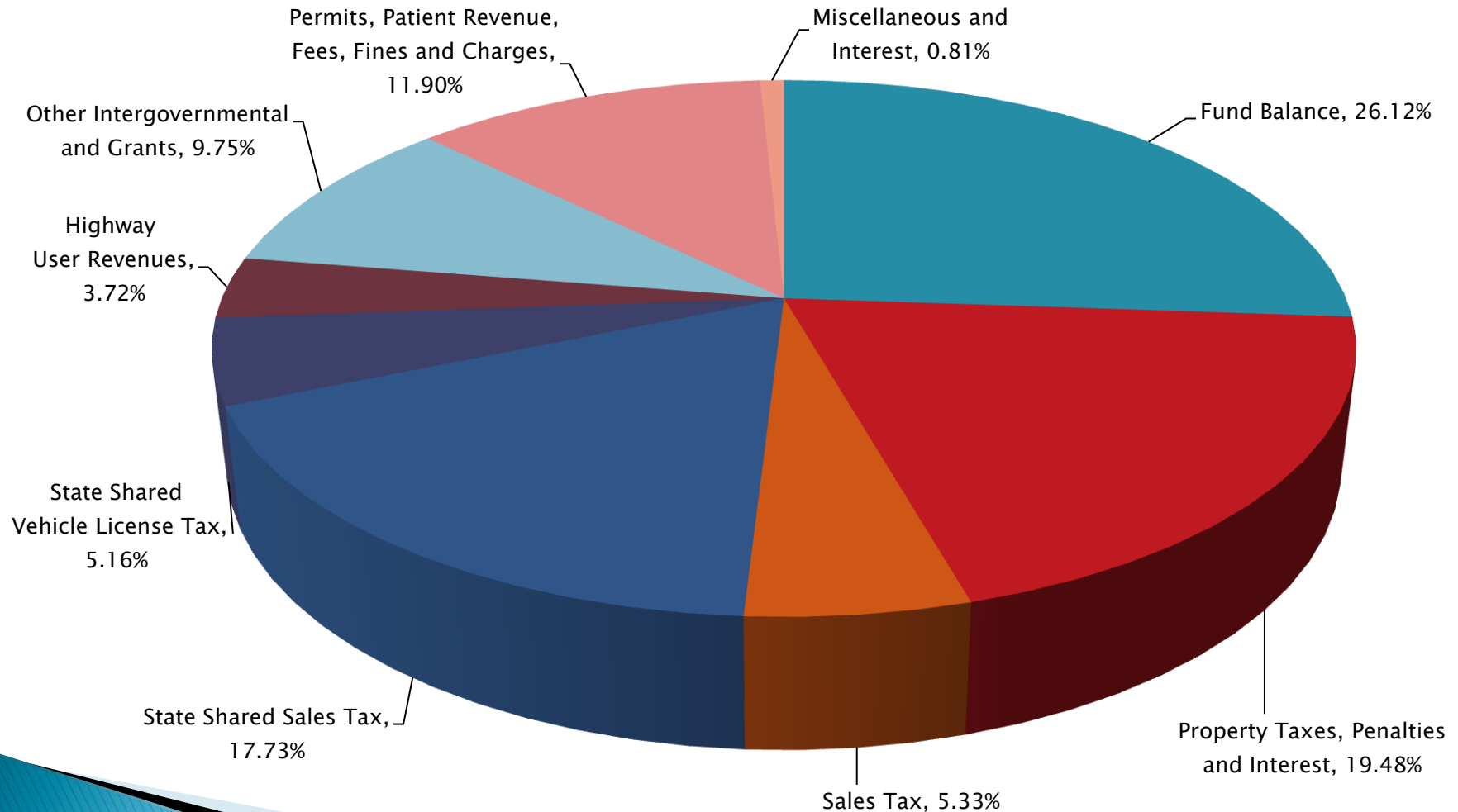
- ▶ **What are the primary sources of revenue for Maricopa County?**
    - **Property Taxes** – tax on real and personal property. These funds are used for the County's general operations.
    - **State Shared Sales Tax** – share of the State of Arizona's sales tax used to fund the general operations of the County.
    - **Licenses, permits, fees and charges for services** – charges to customers receiving licenses, permits or services from the County.
    - **Grants and payments from other governments**
- 

# FY 2013 Sources of Revenue

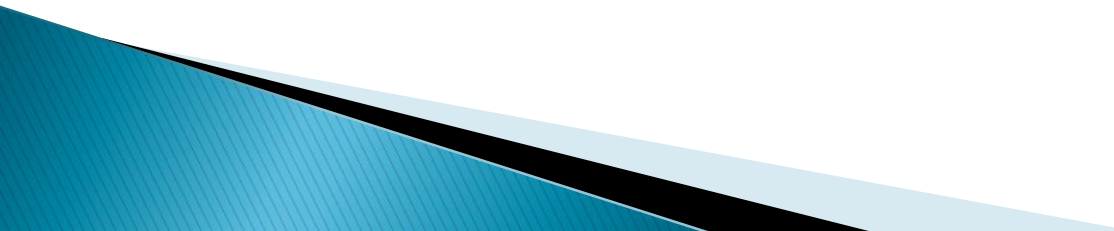
- ▶ **What are the primary sources of revenue for Maricopa County?**
    - **State Shared Vehicle License Tax** – share of the personal property tax on vehicles collected by the State of Arizona used to fund general and transportation-related expenditures.
    - **Jail Excise Tax** – voter approved special sales tax to fund detention construction and operations.
    - **State Shared Highway User Revenue Fees** – share of the fees collected by the State of Arizona and passed through to Counties to fund construction and maintenance of streets and highways.
    - **Fund Balance** – One-time funding used for capital and technology projects.
- 

# FY 2013 Adopted Budget

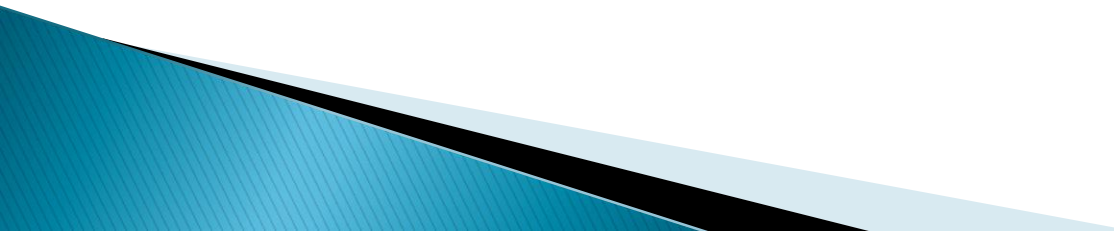
## Sources of Funds: \$2,278,653,993



# Property Values and Taxes

- ▶ Prior to the economic downturn, property values were increasing annually, reaching a high of \$58 billion in assessed value in fiscal year 2009
  - ▶ In addition, new construction was added to the roles each year, also increasing the assessed value to be taxed
  - ▶ Both these helped keep the tax rate down
- 

# Property Values and Taxes

- ▶ Since the downturn, property values have been experiencing double digit declines each year
  - ▶ Construction has almost ground to a halt, so few new properties have been added to the rolls, so new construction no longer can help keep the rate down
  - ▶ Result: to collect the same amount of taxes, the rate would need to increase
- 

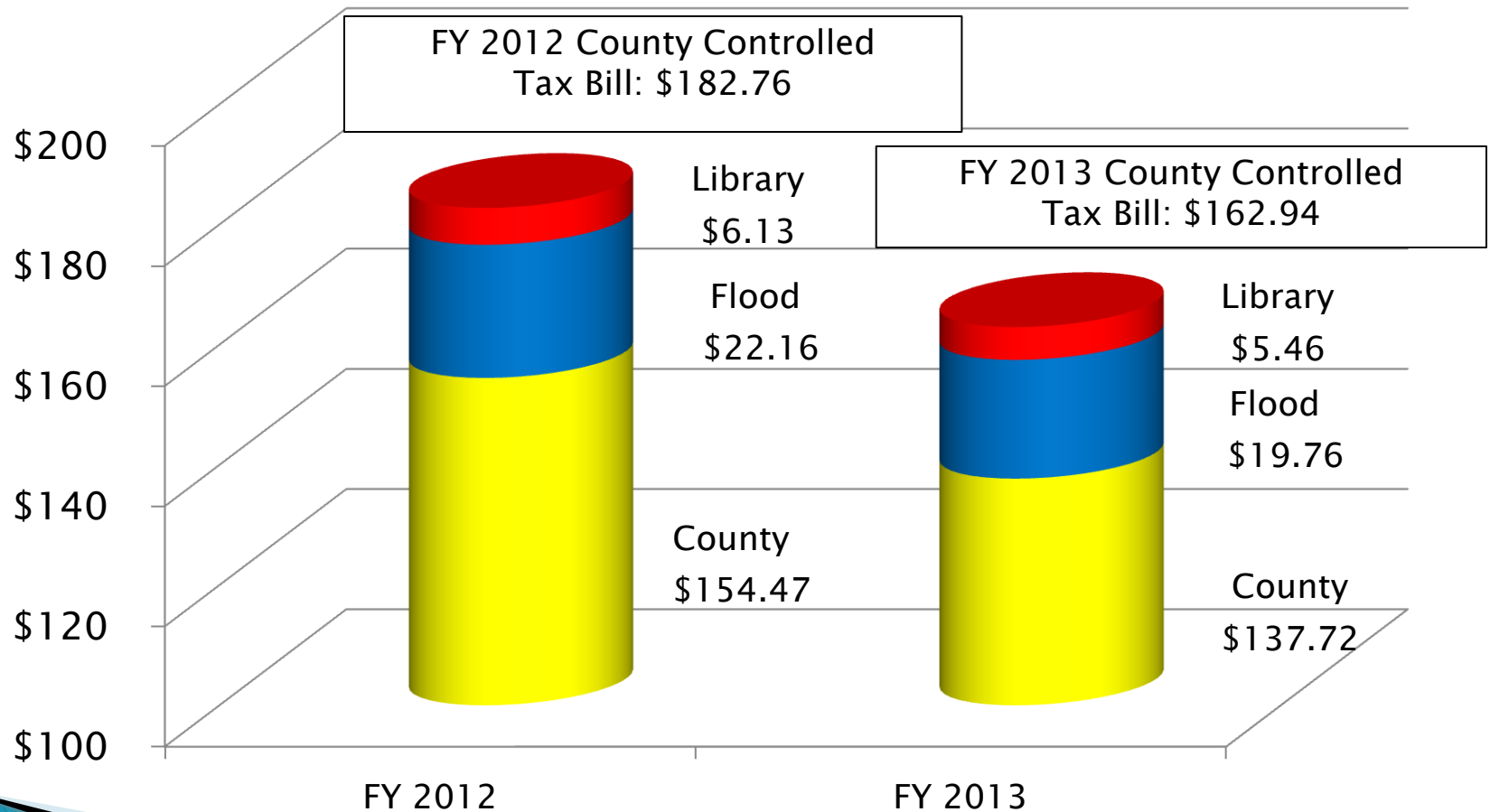


# FY 2013 Maricopa County County-Controlled Property Taxes Billed (Including New Property)

(In Millions)

	<u>FY 2012</u>	<u>FY 2013</u>	<u>Var. \$</u>
County Primary	\$ 477.6	\$425.1	\$-52.5
Flood Control District	62.4	54.6	- 7.8
Library District	19.1	16.9	- 2.2
	<hr/>	<hr/>	<hr/>
	\$ 559.1	\$496.6	\$-62.5

# \$19.82 Reduction to FY 2013 County-Controlled Property Tax Bill for Average Homeowner

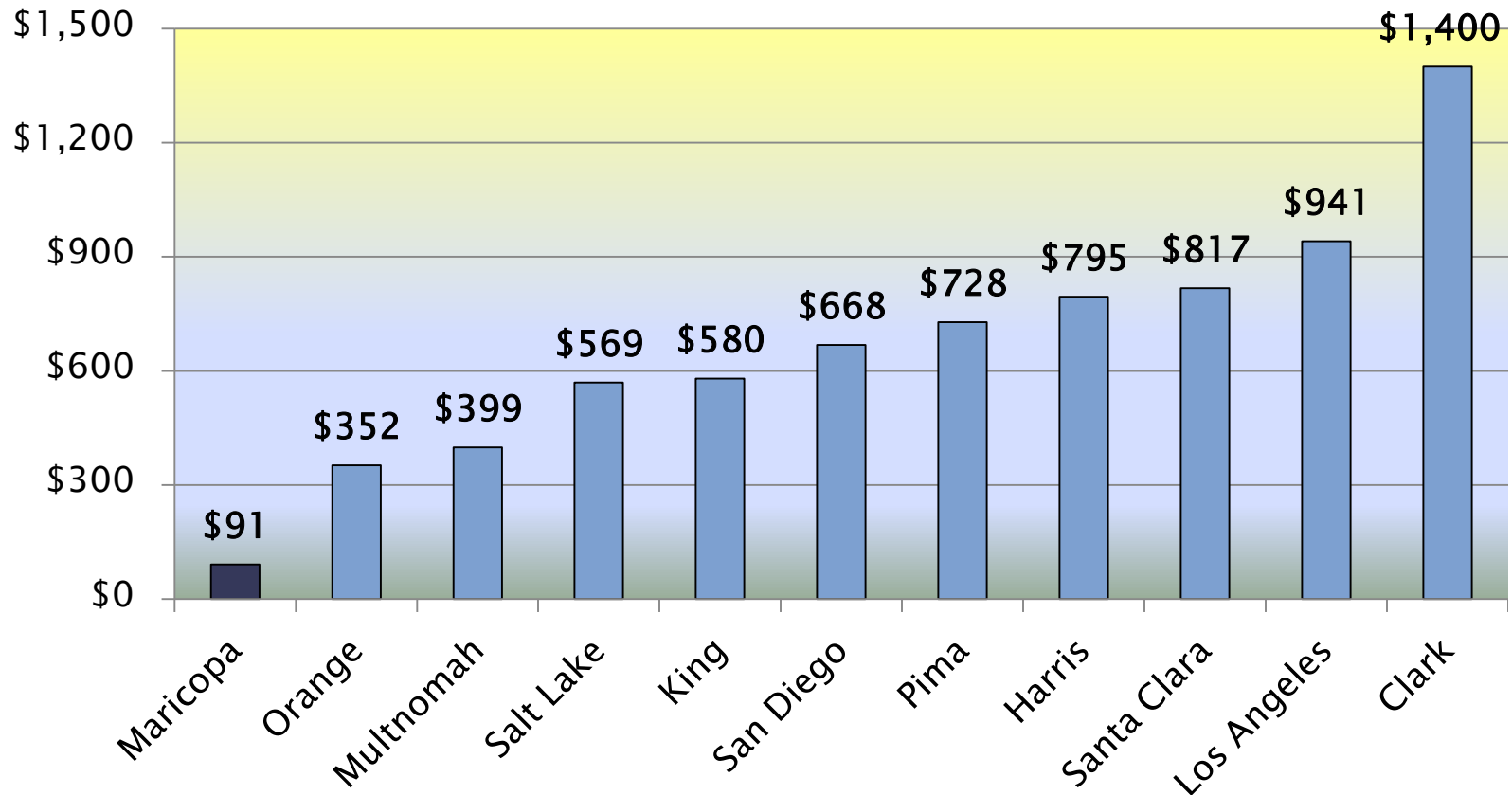


Residential Average Values (Full Cash): FY 2012: \$124,500 FY 2013: \$111,000

# County Policies Result in Accumulating Tax Bill Savings


- ▶ FY 2013 Tax Bill Savings from County Policies
  - “Pay as You Go” Capital saves Debt Service taxes:
    - \$76.3 million
  - Self-imposed District Levy Limits:
    - \$70.6 million
  - Self-imposed Flat or Reduced Primary Tax Levy
    - \$133.1 million
- ▶ Since FY 2002, these policies have saved taxpayers \$971 million in property taxes

# FY 2011 Long-Term Debt Per Person Comparison To National Benchmarks



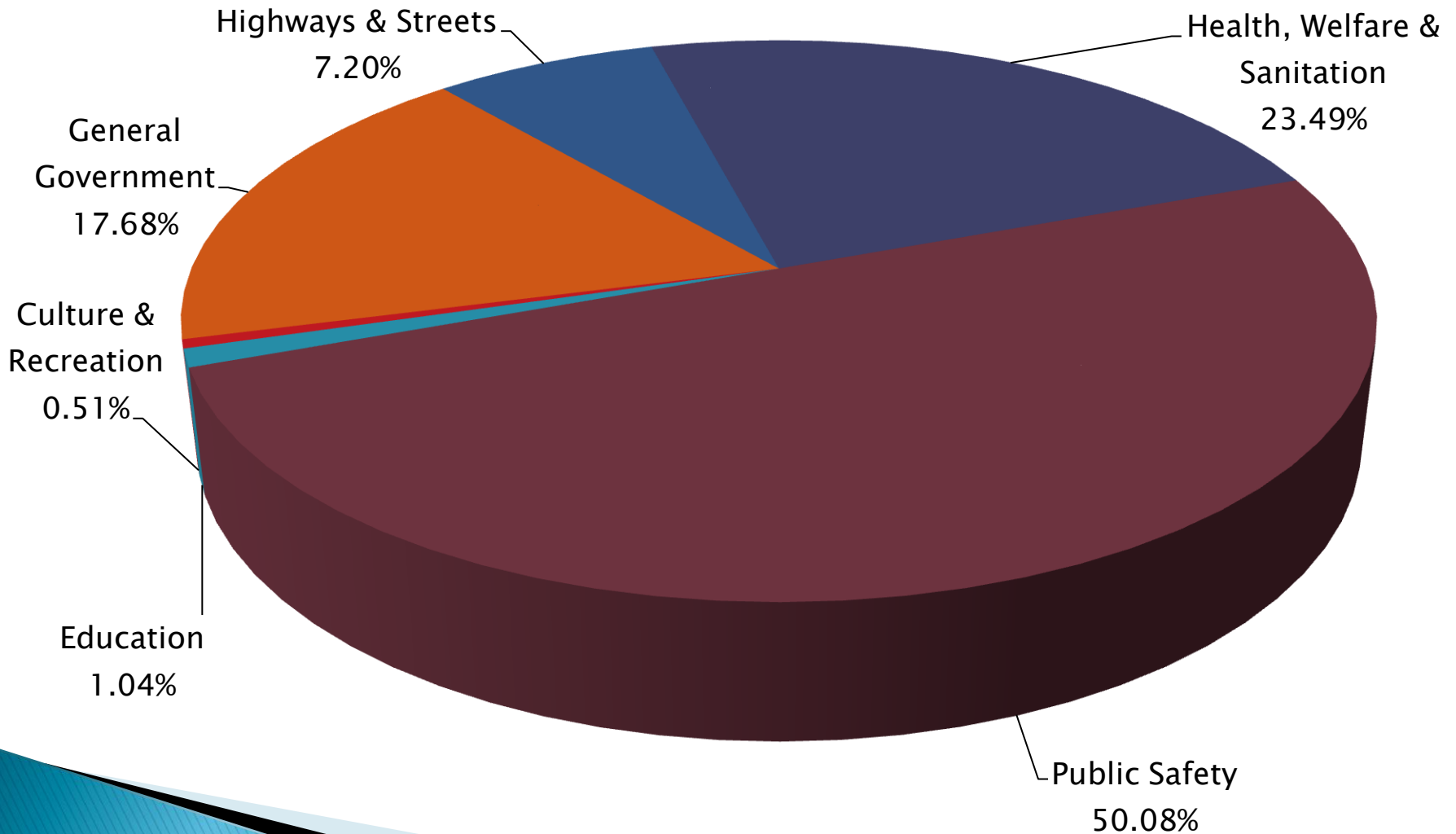
Source: Maricopa County LTD for Governmental Activities "Note 14 - Long Term Liabilities",  
(Benchmark CAFRs & Internal Audit Analysis)

# FY 2013 Uses of Funding

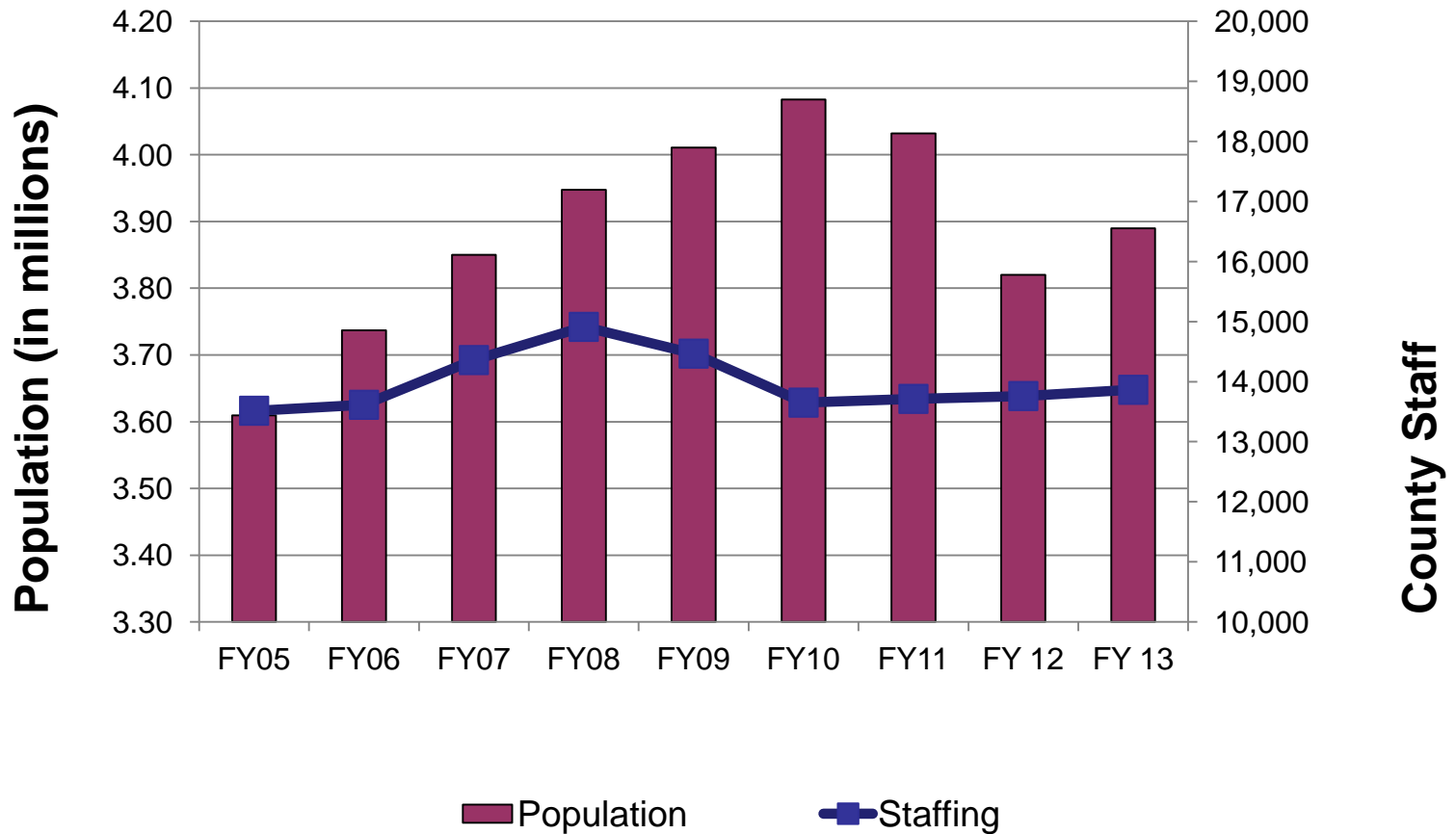
- ▶ What does the County use funding for?
    - Public Safety (50.08%)
    - Health, Welfare and Sanitation (23.49%)
    - General Government (17.68%)
    - Highways and Streets (7.2%)
    - Education (1.04%)
    - Culture and Recreation (.51%)
- 

# FY 2013 Adopted Budget

## Uses of Funds: \$2,278,653,993



# Changes in County Population and County Staffing







# Maricopa County FY 2013 Special Districts Recommended Budget

Photo by Bill Timmerman

# Flood Control District Highlights

*See the Secondary Tax Flood Control section of your Tax Bill for more information*

- ▶ The property tax levy declined by \$7,816,594
- ▶ Overall expenditures of \$85.02 Million, a decrease of \$12,402,492
- ▶ FY 2013 CIP decreased to \$50.0 Million
- ▶ Five-year CIP projected to be \$221.0 Million





# Flood Control District CIP

Flood Control District Projects (61 Projects)	FY 2013	FY 2014	Five-Year CIP Program Total
	Recommended Budget	to FY 2017	
	\$ 50,000,000	\$ 171,000,000	\$ 221,000,000



# Library District Highlights

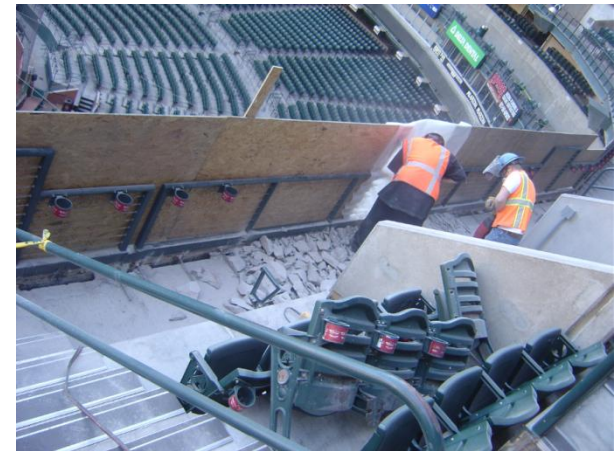
*See the Secondary Tax Library section of your Tax Bill for more information*

- ▶ Property tax levy is decreasing by \$2,145,042
- ▶ Overall expenditures of \$25.6M for FY 2013 is a \$89K decrease compared to \$25.7M in FY 2012
- ▶ Electronic resources and services growing to meet needs of the citizens including: books, music and in the future – movies
- ▶ Convert last 4 branches to the Deweyless system
- ▶ Summer Reading Program expansion
- ▶ Materials Assistance Program supporting additional access to library materials



# Stadium District Highlights

- ▶ FY 2013 expenditures: \$10.3 M
- ▶ Projects begun in FY 2012
  - Concrete repair
  - Concourse sound system
- ▶ Car Rental Surcharge revenue declining
  - Still requiring the use of fund balance to meet debt obligations
  - Bond series rating upgraded from “BBB-” to “BBB+”
  - No funding available for Arizona Sports and Tourism Authority in FY 2013



# More Information

- ▶ For more information about Maricopa County and your tax dollars, [click here](#) to visit Maricopa County OpenBooks.





**Office of Management & Budget**